INSPECTION REPORT

Partial XXX Complete Exploration Inspection Date: 08/11/2003 Time: 10:30am-2:00pm Date of Last Inspection: 07/03/2003

Mine Name: Savage Coal Terminal	County: <u>Carbon</u>	Permit Number: <u>C/007/022</u>						
Permittee and/or Operator's Name: Savage Industries, Inc.								
Business Address: 6340 South 3000 East, Su	uite 600, SLC, UT 84121	/PO Box 587, Wellington, UT 84542						
Company Official(s): Dan Guy, Boyd Rho	odes							
State Official(s): Stephen J. Demczak	Federal Official(s):	None						
Weather Conditions: Warm, 80's, Sunny								
Type of Mining Activity: Underground	Surface XXX Pre	ep Plant Other						
Existing Acreage: Permitted 160 Distur	bed 122 Regraded	Seeded						
Status: Active								

REVIEW OF PERMIT, PERFORMANCE STANDARDS & PERMIT CONDITION REQUIREMENTS

- 1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For <u>complete inspections</u> provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check N/A.
 - b. For <u>partial inspections</u> check only the elements evaluated.
- 2. Document any noncompliance situation by referencing the NOV issued at the appropriate performance standard listed below.
- 3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
- 4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

		EVALUATED	N/A	COMMENTS	NOV/ENF
1.	PERMITS, CHANGE, TRANSFER, RENEWAL, SALE	[X]		[X]	\Box
2.	SIGNS AND MARKERS		\Box	\Box	
3.	TOPSOIL	[X]	\Box	[X]	\Box
4.	HYDROLOGIC BALANCE:				
a.	DIVERSIONS	[X]	\Box	[X]	
b.	SEDIMENT PONDS AND IMPOUNDMENTS	[X]	\Box	[X]	
c.	OTHER SEDIMENT CONTROL MEASURES	\Box	\Box	\Box	
d.	WATER MONITORING	\Box	\Box	\Box	
e.	EFFLUENT LIMITATIONS	\Box	\Box	\Box	\Box
5.	EXPLOSIVES	\Box		\Box	\Box
6.	DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES	\Box	\Box	\Box	
7.	COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS	[X]	\Box	[X]	\Box
8.	NONCOAL WASTE	[X]		[X]	\Box
9.	PROTECTION OF FISH, WILDLIFE AND RELATED				
	ENVIRONMENTAL ISSUES	\Box	\Box	\Box	\Box
10.	SLIDES AND OTHER DAMAGE	\Box	\Box	\Box	
11.	CONTEMPORANEOUS RECLAMATION	\Box	\Box	\Box	\Box
12.	BACKFILLING AND GRADING	\Box		\Box	\Box
13.	REVEGETATION	\Box	\Box	\Box	
14.	SUBSIDENCE CONTROL	\Box	\Box	\Box	\Box
15.	CESSATION OF OPERATIONS	\Box	\Box	\Box	
16.	ROADS:				
a.	CONSTRUCTION/MAINTENANCE/SURFACING	[X]	\Box	[X]	\Box
b.	DRAINAGE CONTROLS	\Box		\Box	\Box
17.	OTHER TRANSPORTATION FACILITIES	\Box		\Box	Ĺĺ
18.	SUPPORT FACILITIES/UTILITY INSTALLATIONS		\Box	ĹÌ	ĹĬ
19.	AVS CHECK (4 th Quarter- April, May, June)	ĹĨ	ĹĬ	ĹĬ	ĹĬ
20.	AIR QUALITY PERMIT	ĹĪ	ĹÌ	Ĺĺ	Ĺĺ
21.	BONDING & INSURANCE	īī	<u>[]</u>	ĪĪ	īī

INSPECTION REPORT

(Continuation Sheet)

PERMIT NUMBER: <u>C/007/022</u> DATE OF INSPECTION: <u>08/11/2003</u>

(COMMENTS ARE NUMBERED TO CORRESPOND WITH TOPICS LISTED ABOVE)

1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE

There are no permitting actions with the Division at this time.

3. TOPSOIL

The permittee is in the process of contacting a contractor to mulch and seed the topsoil pile. The permittee will pock the pile after seeding. This action will start in the second week of August pending the contractor's schedule.

4A. HYDROLOGIC BALANCE: DIVERSIONS

The diversions were spot-checked and complied with the performance standards.

4B. HYDROLOGIC BALANCE: SEDIMENT PONDS AND IMPOUNDMENTS

The sediment ponds contained water but were not discharging during the inspection. No hazardous conditions were noticed during the inspection.

The permittee has conducted the second quarter pond inspection with no hazardous conditions reported. The inspection was on June 12, 2003.

7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS

The refuse pile was inspected by the permittee on June 12, 2003. No hazardous conditions were reported.

8. NONCOAL WASTE

The area was clear of non-coal waste material; however, some of the mining equipment could be taken for non-coal waste material. The permittee plans to centralize all mining equipment to one location.

16A. ROADS: CONSTRUCTION/MAINTENANCE/SURFACING

Roads were watered at the time of the inspection.

Inspector's Signature: _			_Date:	August 15	5, 2003
	Stephen J. Demczak	#39			

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas & Mining.

cc: James Fulton, OSM
James Jensen, Savage, via email
Boyd Rhodes, Savage, via email
Dan Guy, Blackhawk Engineering, via email
Price Field office
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